

STATE OF DELAWARE
OFFICE OF
AUDITOR OF ACCOUNTS

INDIAN RIVER AND DELMAR
SCHOOL DISTRICTS

EMPLOYEE DOUBLE BILLING

SPECIAL INVESTIGATION

FIELDWORK END DATE: AUGUST 28, 2008

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State of Delaware
Office of Auditor of Accounts
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At a Glance

Working Hard to Protect YOUR Tax Dollars

Why We Did This Review

The Office of Auditor of Accounts (AOA) received the following hotline complaints:

- The site coordinator for Creative Mentoring billed Indian River and Delmar School Districts for the same 15-17 hours of work on eight different occasions.
- The individual admitted to billing Indian River for work through March 12th when she had not worked on anything since December 2007.
- The individual took a two-week vacation cruise and billed Delmar hours and days for work that coincided with her time on the cruise.

Background

The Districts' former Mentoring Coordinator was employed at Indian River for approximately two years and at Delmar from October 2007 through April 2008. The individual was terminated from Indian River on March 12, 2008, and resigned from Delmar School District on April 25, 2008. As a District Coordinator for Indian River, the employee was responsible for the oversight of the 14 schools as well as organized recruiting activities. The Delmar position shared similar responsibilities; however, the smaller school size gave the individual more in-depth involvement.

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**INDIAN RIVER AND DELMAR SCHOOL DISTRICTS –
EMPLOYEE DOUBLE BILLING**

What We Found

AOA tested 100% of billed hours for July 1, 2007 through March 30, 2008 and found the following:

- A total of 78.5 coincident hours (\$1,647.50) were billed to the Districts where over 7.5 hours were worked in a single day. Indian River paid the employee for 39.5 hours (\$750.50) and Delmar paid the employee for 39 hours (\$897.00). The mentor stated that she was permitted to flex her schedule and carry over hours from one week to the next. District officials indicated they were unaware of any approval to carry over hours. Although the hours appeared questionable, the lack of standard, detailed timekeeping records (with start and end times for the hours charged) as well as specific oversight over the mentor's time prevented AOA from concluding if the hours were actually worked or not worked or if the hours were, in fact, double-billed to Indian River and Delmar School Districts.
- Hours were billed to Indian River for work through March 12th; however, these hours were supported by appropriate documentation that the hours, were in fact, incurred. Indian River maintained timesheets, signed and approved, by the employee's supervisor as evidence of the time charged to the program. Delmar also maintained timesheets to support hours charged to the program.
- According to the mentor's calendar and verbal confirmations from her supervisors, the cruise occurred from January 10-22, 2008. Based on review of time records, neither District was billed for work during this time period.

Timesheets from Indian River contained proper authorized signatures. However, these time records did not include start and end times for the hours charged to the program.

Time sheets obtained from Delmar School District did not have proper authorized signatures. The Mentoring Coordinator's daily activities were not logged; her attendance was not consistently observed; and her progress was not frequently evaluated. Her immediate supervisor had no method to determine if she was in the building, and a system to track her progress was not established.

What We Recommend

Indian River School District should maintain additional detail in time records to provide start and end times for hours charged to programs.

Delmar School District should:

- Provide proper oversight and monitoring of mentoring staff;
- Strengthen its internal control structure (i.e. designate a person responsible for overseeing the services of the mentor, including reviewing and approving the mentor's timesheets);
- Implement a quarterly progress review to ensure that activities are on task and completed according to the grant award; and
- Require that the mentor track time by the hour and correct date, providing a description of work completed each day.

Please read the complete report for a full list of findings/recommendations and to review the District's response to our findings.

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AUDIT AUTHORITY

Title 29, Del. C. c. 29 authorizes the Auditor of Accounts to file written reports containing:

1. Whether all expenditures have been for the purpose authorized in the appropriations;
2. Whether all receipts have been accounted for and paid into the State Treasury as required by law;
3. All illegal and unbusinesslike practices;
4. Recommendations for greater simplicity, accuracy, efficiency, and economy; and
5. Such data, information, and recommendations as the Auditor of Accounts may deem advisable and necessary.

ALLEGATION AND BACKGROUND

ALLEGATION

The Office of Auditor of Accounts (AOA) received the following hotline complaints:

- The site coordinator for Creative Mentoring billed Indian River and Delmar School Districts for the same 15-17 hours of work on eight different occasions.
- The individual admitted to billing Indian River for work through March 12th when she had not worked on anything since December 2007.
- The individual took a two-week vacation cruise and billed Delmar hours and days for work that coincided with her time on the cruise.

BACKGROUND

The Delaware Creative Mentoring Program (Program) offers the only statewide, free mentor training program supported by Delaware's Department of Education (DOE). The Program supports more than 700 active adult mentors in more than 80 school-wide programs throughout the State. Districts and charter schools receive funding through DOE's K-12 Student Mentoring/Tutoring Programs grant.

The Districts' former Mentoring Coordinator was employed at Indian River for approximately two years and at Delmar from October 2007 through April 2008. The individual was terminated from Indian River on March 12, 2008, and resigned from Delmar School District on April 25, 2008. As a District Coordinator for Indian River, the employee was responsible for the oversight of the 14 schools as well as organized recruiting activities. The Delmar position shared similar responsibilities; however, the smaller school size gave the individual more in-depth involvement.

OBJECTIVES, SCOPE, & METHODOLOGY

OBJECTIVES

The objective of the investigation was to determine the validity of the mentor's time reporting.

SCOPE

The investigation was performed in accordance with the President's Council on Integrity and Efficiency, *Quality Standards for Investigations*.

AOA tested 100% of the billed hours for the Indian River and Delmar School Districts' mentor program records for the period of July 1, 2007 through March 30, 2008.

METHODOLOGY

The investigative approach included:

- Interview and inquiry.
- Inspection and confirmation of documentation.

CONCLUSIONS

AOA tested 100% of billed hours for July 1, 2007 through March 30, 2008 and found the following:

- *Allegation: The site coordinator for Creative Mentoring billed Indian River and Delmar School Districts for the same 15-17 hours of work on eight different occasions.*

Partially Substantiated. A total of 78.5 coincident hours (\$1,647.50) were billed to the Districts where over 7.5 hours were worked in a single day. Indian River paid the employee for 39.5 hours (\$750.50) and Delmar paid the employee for 39 hours (\$897.00). The mentor stated that she was permitted to flex her schedule and carry over hours from one week to the next. District officials indicated they were unaware of any approval to carry over hours. While more than 7.5 hours a day were charged to the Districts in the aggregate, the fact that Indian River time records did not record start and end times to compare against the detailed times/hours charged to Delmar, prohibited AOA from being able to determine the actual hours double-billed to the Districts.

- *Allegation: The individual admitted to billing Indian River for work through March 12th when she had not worked on anything since December 2007.*

Unsubstantiated. Hours were billed to Indian River for work through March 12th; however, these hours were supported by appropriate documentation that the hours, were in fact, incurred. Indian River maintained timesheets, signed and approved, by the employee's supervisor as evidence of the time charged to the program. Delmar also maintained timesheets to support hours charged to the program.

In addition, the mentor maintained a Google calendar for work performed at Indian River as well as a staff log for work performed at Delmar. This documentation was provided by the mentor to support that she did provide services to the Districts during the period of December 2007 through March 2008.

- *Allegation: The individual took a two-week vacation cruise and billed Delmar hours and days for work that coincided with her time on the cruise.*

Unsubstantiated. According to the mentor's calendar and verbal confirmations from her supervisors, the cruise occurred from January 10-22, 2008. Based on review of time records, neither District was billed for work during this time period.

Although the hours appeared questionable, the lack of standard, detailed timekeeping records (with start and end times for the hours charged) as well as specific oversight over the mentor's time prevented AOA from concluding if the hours were actually worked or not worked or if the hours were, in fact, double-billed to Indian River and Delmar School Districts.

FINDINGS AND RECOMMENDATIONS

Finding #1

Criteria

Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission states, “Monitoring ensures that internal control continues to operate effectively. This process involves assessment by appropriate personnel of the design and operation of controls on a suitably timely basis, and the taking of necessary actions...Ongoing monitoring procedures are built in to the normal, recurring operating activities of an entity...They include regular management and supervisory activities, comparisons, reconciliations and other routine actions.” Good internal controls require standard, detailed documentation of hours worked as well as proper monitoring of services received. Services should be monitored to ensure tasks are completed. Attendance should be monitored to ensure accuracy of time reporting.

Condition

Time sheets obtained from Delmar School District did not have proper authorized signatures. The Mentoring Coordinator’s daily activities were not logged; her attendance was not consistently observed; and her progress was not frequently evaluated. Her immediate supervisor had no method to determine if she was in the building, and a system to track her progress was not established.

Cause

The recent establishment of the mentoring program at the District contributed to a lack of sound internal controls and management oversight.

Effect

Delmar School District paid the Mentoring Coordinator \$897.00 (39 hours) without proper timesheet authorization.

Recommendation

Delmar School District should:

- Provide proper oversight and monitoring of mentoring staff;
- Strengthen its internal control structure (i.e. designate a person responsible for overseeing the services of the mentor, including reviewing and approving the mentor’s timesheets);
- Implement a quarterly progress review to ensure that activities are on task and completed according to the grant award; and
- Require that the mentor track time by the hour and correct date, providing a description of work completed each day.

Auditee Response

Delmar School District responses:

- Due to state budget cuts, a school guidance counselor will devote 5-6 hours each week maintaining the Student Mentoring Program.
- If the District is able to solicit donations and/or other grant funds to support the Student Mentoring Program, the District will contract a part-time coordinator.

FINDINGS AND RECOMMENDATIONS

- The District will revise the current time sheets to reflect detailed daily work activity descriptions.
- The SM coordinator will submit a bi-weekly written report to the Building Principal delineating the progress and status of the Student Mentoring Program.
- An internal control structure will include the time sheet being reviewed and approved by the Principal and Assistant Superintendent prior to being submitted to the Business Manager for processing payments to the SM Coordinator.
- The SM Coordinator will schedule a monthly meeting with the Principal and/or Assistant Superintendent to ensure that our program goals/objectives/activities/timelines are being met.

The current status of Delmar's Student Mentoring Program is:

- 2007 – 2008 is the first year that the District applied for Student Mentoring grant funds.
- Since the resignation of the previously contracted SM Coordinator reviewed in this audit, our new SM Coordinator has spearheaded the resurrection of our newly created program.
- Forty-six mentors have been recruited and trained by Creative Mentoring: two from the previous coordinator and forty-four with the new coordinator.
- The District has sponsored seven different Creative Mentoring Training Sessions: two under the first coordinator and five additional sessions with the new coordinator.
- Forty-four student-mentor matches have been made.
- More than a dozen community/business members are on a waiting list to be trained as mentors.
- All area churches have been given Delmar's Student Mentoring Program information with follow up personal contact pending.
- Contact has been made with all Delmar area businesses either directly or indirectly by personal visits or by personalized letters from our District Superintendent who is an active member of the Delaware Mentoring Council.
- Community mentors include: minister, pharmacist, bank employees, policeman, court employees, and self-employed business owners,
- Systemic support of Delmar's Student Mentoring Program is evidenced by the participation of almost half of Delmar's staff including: Superintendent, Principal, two Assistant Principals, School Resource Officer, Cafeteria Manager, Reading and Math Specialists, Custodians, Teachers, and Para-Professionals.
- Delmar's SM Coordinator and Guidance Counselor have participated in two Creative Mentoring meetings. The Sussex County Creative Mentoring liaison is working with Delmar to provide additional guidance in establishing our program.
- Delmar's Student Mentoring Coordinator is working cooperatively with the Wicomico County Mentoring Program Director to ensure that students who had mentors in Delmar Elementary School (our feeder school in Maryland) continue to have mentors in our Delaware School System; and in some cases, have the same mentor.
- Two major Mentor-Mentee Team Building activities involving "Beyond the Limits" have been instrumental in developing Mentor-Mentee relationships. At our first event, Delmar's Mentoring Program was featured on WBOC-TV Channel 16 in which our new SM Coordinator emphasized our District's commitment to continue to support student mentoring despite newly released state budget cuts.

DISTRIBUTION OF REPORT

Copies of this report have been distributed to the following public officials:

Executive

The Honorable Ruth Ann Minner, Governor, State of Delaware
The Honorable Valerie A. Woodruff, Secretary, Department of Education

Legislative

The Honorable Russell T. Larson, Controller General, Office of the Controller General

Other Elective Offices

The Honorable Joseph R. Biden III, Attorney General, Office of the Attorney General

Other

Dr. David C. Ring, Jr., Superintendent, Delmar School District
Dr. Susan S. Bunting, Superintendent, Indian River School District